

House File 655

H-1457

1 Amend House File 655 as follows:

2 1. Page 1, before line 1 by inserting:

3 <DIVISION ____
4 LOCAL OPTION SALES AND SERVICES TAXES>

5 2. Page 13, line 23, after <this> by inserting <division of
6 this>

7 3. Page 14, line 5, after <This> by inserting <division of
8 this>

9 4. Page 14, line 7, after <this> by inserting <division of
10 this>

11 5. Page 14, after line 10 by inserting:

12 <DIVISION ____
13 GOVERNANCE OF CERTAIN WATER UTILITIES

14 Sec. ____ . NEW SECTION. 388.12 Water utility board
15 discontinuance and dissolution — governing body provisions.

16 1. Notwithstanding the provisions of section 388.2 to the
17 contrary, upon the effective date of this division of this
18 Act, the board of water works trustees of a water utility
19 in cities in a statistical area described in subsection
20 5, with a population greater than thirty-nine thousand as
21 determined by the most recent federal decennial census, shall
22 be discontinued, dissolved, and shall cease to be the governing
23 body of the water utility and the city councils of the cities
24 described in this subsection shall thereafter be the governing
25 bodies of the water utilities and the city councils of the
26 cities shall have all the powers and authorities of the city
27 with respect to the acquisition by purchase, condemnation, or
28 otherwise lease, sale, or other disposition of the property and
29 facilities of the water utility, and the management, control,
30 and operation of all facets of the water utility, subject to
31 the requirements, terms, covenants, conditions, and provisions
32 of any resolutions authorizing the issuance of revenue bonds,
33 pledge orders, or other obligations which are payable from the
34 revenues of the water utility which are then outstanding. Any
35 property not held in the name of the city as required under

1 section 388.4, subsection 2, shall be retitled in the name of
2 the appropriate city as soon as legally practicable.

3 2. The city managers employed by the city councils that
4 set the compensation of the members of a board of a water
5 utility under this section shall designate the administrator
6 of a department or administrative division of that city to be
7 the manager of the water supply system in that city subject
8 to the approval of the city council. The administrator
9 designated under this subsection shall not be considered a
10 civil service employee under section 400.17 and shall serve
11 under the control and direction of the city manager of that
12 city. The administrator may be terminated at will, subject to
13 any contract in place on the effective date of this division
14 of this Act.

15 3. On and after the effective date of this division of this
16 Act and continuing until January 1, 2018, a water utility of
17 any city subject to this section is prohibited from expending
18 any moneys or staff time to plan, design, or construct any
19 new water plant or other water-producing facility other than
20 a facility currently under contract for construction or a
21 distribution facility that will transport or store treated
22 water but not produce water.

23 4. Notwithstanding any provision of this section to the
24 contrary, no provision or application of this section shall
25 in any manner restrict or otherwise impair a water utility
26 from performing its obligations and complying with the terms,
27 conditions, covenants, requirements, restrictions of federal
28 or state laws, regulations, or rules, bond resolutions,
29 obligations, or agreements relating to outstanding indebtedness
30 of the water utility, existing chapter 28E agreements and
31 contracts, including without limitation contracts related to
32 the operations, maintenance, repair, or improvements of the
33 water utility.

34 5. The city councils described in this section shall honor
35 all existing water purchase arrangements with the cities and

1 rural water districts which are purchasing water from the water
2 utility prior to the effective date of this division of this
3 Act.

4 6. For the purposes of this section, "water utility" means
5 a city utility that provides water services, that is located in
6 a federally designated standard metropolitan statistical area
7 that has a population greater than five hundred thousand, as
8 shown by the most recent federal decennial census, and that is
9 located entirely within the state.

10 Sec. ____ . REGIONAL WATER PRODUCTION UTILITY STUDY
11 COMMITTEE.

12 1. A regional water production utility study committee
13 shall be convened on or before May 1, 2017, to begin
14 discussions regarding the potential for creating a regional
15 water production utility.

16 2. a. The committee shall be comprised of the following
17 members:

18 (1) The mayor of each city that is a member of a waste water
19 reclamation authority.

20 (2) The city manager or city administrator of each city that
21 is a member of a waste water reclamation authority.

22 (3) The general manager of each rural water district that,
23 as of the effective date of this Act, purchases bulk water from
24 water utilities impacted by the Act.

25 (4) The mayor and city manager of a city, if the city's
26 sanitary sewer district is a member of a waste water
27 reclamation authority.

28 b. For the purposes of this subsection, "waste water
29 reclamation authority" shall refer to a waste water reclamation
30 authority that is located in a federally designated standard
31 metropolitan statistical area that has a population greater
32 than five hundred thousand, as shown by the most recent federal
33 decennial census, and that is located entirely within the
34 state.

35 3. An executive committee consisting of one member from each

1 city serving on the study committee with a population in excess
2 of thirty-nine thousand, as determined by the most recent
3 federal decennial census, shall be responsible for developing
4 recommendations on the governance structure and operations of
5 a regional water production utility for consideration by the
6 study committee.

7 4. The study committee shall use all good faith efforts to
8 agree on the governance structure and operation of a potential
9 regional water production utility by December 31, 2017.

10 5. If a city council described in this Act determines that
11 a rate increase is required after the effective date of this
12 Act but before a regional water production utility has been
13 formed and is operating, any such rate increase which is not
14 the same percentage increase for all cities and rural water
15 districts with purchase arrangements shall be calculated by the
16 executive committee prior to presentation to the city council
17 for approval.

18 6. The executive committee of the study committee shall
19 submit a report to the general assembly and the legislative
20 council by January 15, 2018, regarding the status of agreeing
21 to a governance structure and the operation of a potential
22 regional water production utility.

23 7. If a regional water production utility has not been
24 established by the cities described in this Act prior to
25 January 1, 2019, the water production assets of the water
26 utility shall revert to the water utility governance and
27 operation structure in existence prior to the effective date
28 of this Act.

29 Sec. ____ . SEVERABILITY. If any word, phrase, clause,
30 sentence, paragraph, or provision of this division of
31 this Act or the application of such to any person or
32 circumstance is declared invalid, illegal, or unenforceable, or
33 unconstitutional for any reason, the remaining provisions or
34 applications of this division of this Act shall not be affected
35 by such declaration and to this end, the provisions of this

1 division of this Act are severable.

2 Sec. ____ . EFFECTIVE UPON ENACTMENT. This division of this
3 Act, being deemed of immediate importance, takes effect upon
4 enactment.>

5 6. Title page, line 1, after <to> by inserting <local
6 government matters, including>

7 7. Title page, line 2, after <taxes> by inserting <and the
8 governance of certain water utilities, and including effective
9 date provisions>

10 8. By renumbering, redesignating, and correcting internal
11 references as necessary.

KLEIN of Washington

PAUSTIAN of Scott

HOLZ of Plymouth

MOMMSEN of Clinton

HEIN of Jones

WILLS of Dickinson

KERR of Louisa

BAUDLER of Adair

WORTHAN of Buena Vista

DEYOE of Story

WHEELER of Sioux

MAXWELL of Poweshiek

BEST of Carroll

SIECK of Mills

MOHR of Scott

ZUMBACH of Linn

KAUFMANN of Cedar